

ZEDRA PCC (NO.1) LIMITED
FIXED INTEREST FUND STERLING CLASS CELL

Interim Report and Unaudited

Financial Statements for the period ended

30 September 2024

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD
ENDED 30 SEPTEMBER 2024**

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**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M Cleary
N Fell
D Fitzgerald (resigned 28 June 2024)
J Donnelly (resigned 19 June 2024)
D Piesing (appointed 3 May 2024)
E Kennedy (appointed 19 June 2024)

SECRETARY

Zedra Fund Managers (Guernsey) Limited
First Floor
Le Marchant House
Le Truchot
St. Peter Port
Guernsey GY1 1GR

REGISTERED OFFICE

First Floor
Le Marchant House
Le Truchot
St. Peter Port
Guernsey GY1 1GR

INVESTMENT MANAGER

Zedra Fund Managers (Guernsey) Limited
First Floor
Le Marchant House
Le Truchot
St. Peter Port
Guernsey GY1 1GR

ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND STERLING CLASS CELL

DIRECTORS' REPORT

The directors present their report and the unaudited financial statements of Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell (the "Cell") for the six-month period ended 30 September 2024.

The Cell was created and launched on 23 March 2005.

PRINCIPAL ACTIVITIES

The Cell is part of Zedra PCC (No.1) Limited (the "Company") which is an open-ended investment company, constituted as a Protected Cell Company under The Companies (Guernsey) Law 2008.

Until 2 May 2024 the Company was authorised by the Guernsey Financial Services Commission as part of the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021 under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended. Effective 2 May 2024 the Company became registered as an open-ended collective scheme as part of the Private Investment Fund Rules and Guidance 2021.

The investment objective of the Cell is to provide shareholders with a return equal to 2.00% per annum over the six-month Sterling Overnight Index Average ("SONIA") rate in effect at noon on 1 June and 1 December of each calendar year.

The shares of the Cell are listed on The International Stock Exchange ("TISE").

REVIEW OF ACTIVITIES

The results of the Cell for the six-month period ended 30 September 2024 are disclosed in the Statement of Profit and Loss on page 5.

During the period the directors declared and paid dividends totalling £6,583, an income of £0.002445 pence per share, (year ended 31 March 2024: £12,611, an income of £0.004683 per share), from the profits of the Zedra Fixed Interest Fund Sterling Class Cell to the Cell's shareholders.

At 30 September 2024 net assets attributable to participating redeemable shareholders was £184,326 (31 March 2024: £184,277).

CELL STATISTICS

	Net asset value of the Cell £	Net asset value per share £	% change in the period	Number of shares in issue	Highest price £	Lowest price £
30 September 2024	184,326	0.068	0.00%	2,692,686	0.069	0.067
31 March 2024	184,277	0.068	0.00%	2,692,686	0.069	0.067

Basic and diluted earnings per share: 30 September 2024: 0.24p (30 September 2023: 0.23p)

SHARE CAPITAL – CELL

As at 30 September 2024, there were 2,692,686 participating redeemable shares in issue (31 March 2024: 2,692,686). There were no nominal shares in issue.

GOING CONCERN

After making enquiries based on justifiable assumptions, the directors have a reasonable expectation that the Cell will have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

The directors note that as Zedra Fund Managers (Guernsey) Limited will pay any expense that may arise, as the Cell's Supplementary Offering Memorandum states that the Cell is not to pay any fees or charges; the Cell will be sufficiently liquid to meet any anticipated redemption requests by liquidating investments.

Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements for the six-month period ended 30 September 2024.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The current directors are listed on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE UNAUDITED FINANCIAL STATEMENTS

The directors are responsible for preparing the interim report and the unaudited financial statements in accordance with the applicable law and regulations.

The Companies (Guernsey) Law, 2008 requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards including FRS 102 'The Financial Reporting Standard' applicable in the UK and Ireland and applicable law. Under that law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Cell and of the Statement of Profit and loss of the Cell, for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Cell will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Cell's transactions and disclose with reasonable accuracy at any time the financial position of the Cell and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Cell and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of the Companies (Guernsey) Law, 2008.

N Fell
Director

M Cleary
Director

Date: 10 December 2024

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

INVESTMENT MANAGER’S REPORT

The results of the Cell for the six-month period ended 30 September 2024 are disclosed in the Statement of Profit and Loss on page 5.

The Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell has returned a gain of £6,583 for the six month period ended 30 September 2024 (30 September 2023: gain of £6,173) by investing in a Floating Rate Loan Note issued by a subsidiary of the Red and Gold Cell. This investment is held in accordance with the stated objective of the Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell.

The directors declared and paid a gross dividend of £6,534 on 31 July 2024 (31 March 2024: £6,382 on 23 January 2024 paid on 31 January 2024 and a gross dividend of £5,273 was declared on 24 July 2024 and paid on 31 July 2024) in accordance with the Scheme's Principal Documents.

For and on behalf of

Zedra Fund Managers (Guernsey) Limited

N Fell

Director

Date: 10 December 2024

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

		Period ended 30 September 2024	Period ended 30 September 2023
	Note	£	£
Interest receivable		6,583	6,173
Expenses		-	-
		<hr/>	<hr/>
GROSS INCOME		6,583	6,173
		<hr/>	<hr/>
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO PARTICIPATING REDEEMABLE SHAREHOLDERS		<u>6,583</u>	<u>6,173</u>
		<hr/>	<hr/>
BASIC AND DILUTED EARNINGS PER SHARE IN PENCE	5	<u>0.24p</u>	<u>0.23p</u>

All results derive from continuing operations. There were no other gains or losses.

The accompanying notes form an integral part of the financial statements.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTICIPATING
REDEEMABLE SHAREHOLDERS FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Share Capital Account £	Share Premium Account £	Income and Expenditure Account £	Total £
At 1 April 2023	26,926	131,985	24,411	183,322
Net increase in net assets attributable to participating redeemable shareholders	-	-	12,611	12,611
Dividends paid	-	-	(11,656)	(11,656)
At 31 March 2024	26,926	131,985	25,366	184,277
Net increase in net assets attributable to participating redeemable shareholders	-	-	6,583	6,583
Dividends paid	-	-	(6,534)	(6,534)
At 30 September 2024	26,926	131,985	25,415	184,326

The accompanying notes form an integral part of the financial statements.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

		30 September 2024	31 March 2024
	Note	£	£
NON-CURRENT ASSETS			
Investments	4	<u>180,044</u>	<u>180,044</u>
CURRENT ASSETS			
Debtors		<u>4,282</u>	<u>4,233</u>
		4,282	4,233
NET ASSETS ATTRIBUTABLE TO PARTICIPATING REDEEMABLE SHAREHOLDERS		<u><u>184,326</u></u>	<u><u>184,277</u></u>
 NET ASSET VALUE PER SHARE IN PENCE		 <u><u>6.8p</u></u>	 <u><u>6.8p</u></u>

These financial statements were approved and authorised for issue by the Board of Directors on

Signed on behalf of the Board of Directors

N Fell
Director

M Cleary
Director

Date: 10 December 2024

The accompanying notes form an integral part of the financial statements.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Note	Year ended 30 September 2024 £	Year ended 31 March 2024 £
Net cash outflow from operating activities	9	(49)	(955)
Cash flows from investing activities			
Interest received		6,583	12,611
Net cash inflow from investing activities		6,583	12,611
Cash flows from financing activities			
Dividends paid		(6,534)	(11,656)
Net cash (outflow) from financing activities		(6,534)	(11,656)
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents held at beginning of period/year		-	-
Cash and cash equivalents held at end of period/year		-	-

The accompanying notes form an integral part of the financial statements.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**PORTFOLIO STATEMENT
AT 30 SEPTEMBER 2024**

Fixed Interest Fund Sterling Class Cell

	Amortised Cost £	% of NAV
Unquoted Loan Notes	180,044	97.68%
	<hr/>	<hr/>
Total	180,044	97.73%
	<hr/>	<hr/>
Portfolio of investments	180,044	97.68%
Net current assets	4,282	2.32%
	<hr/>	<hr/>
Net assets attributable to participating redeemable shareholders	184,326	100.00%
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form an integral part of these financial statements.

ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND STERLING CLASS CELL

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS PERIOD ENDED 30 SEPTEMBER 2024

1. AUTHORISATION AND STRUCTURE OF THE COMPANY

Zedra PCC (No.1) Limited (the “Company”) is a registered open ended collective investment scheme as part of the Private Investment Fund Rules and Guidance, 2021 under the provision of The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended.

Until 2 May 2024 the Company was authorised by the Guernsey Financial Services Commission as part of the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021 under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended. Effective 2 May 2024 the Company became registered as an open-ended collective scheme as part of the Private Investment Fund Rules and Guidance 2021.

The Cell was created and launched on 23 March 2005.

The Company is an open-ended investment Protected Cell Company governed by the provisions of the Companies (Guernsey) Law, 2008.

Persons investing and dealing with a cell of the Company shall only have recourse to, and their interests shall be limited to, the assets from time to time attributable to that cell.

At 30 September 2024, there were five active cells in the company. These unaudited financial statements relate to the Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell (the “Cell”) only.

The shares of the Cell are listed on The International Stock Exchange (“TISE”).

2. SIGNIFICANT JUDGEMENTS AND ESTIMATES

In preparing these financial statements in conformity with FRS 102, the directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The most significant judgements, estimates and assumptions affecting these financial statements are as set out below:

Judgements

Going concern

After making enquiries based on justifiable assumptions, the directors have a reasonable expectation that the Cell will have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

The directors note that as Zedra Fund Managers (Guernsey) Limited will pay any expense that may arise, as the Cell's Supplementary Offering Memorandum states that the Cell is not to pay any fees or charges; the Cell will be sufficiently liquid to meet any anticipated redemption requests by liquidating investments.

Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements for the six-month period ended 30 September 2024.

3. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the six-month period and preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (“FRS 102”) as issued by the Financial Reporting Council.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Functional currency

The 'functional currency' is the currency of the primary economic environment in which the Cell operates. If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. All of the Cell's transactions and ultimate investments are denominated in pounds sterling. Shareholders' contributions and distributions are also received and paid in Pounds Sterling. Accordingly, the directors have determined that the functional currency of the Cell is Pounds Sterling.

Financial instruments

The full provisions of section 11: "Basic Financial Instruments" and section 12: "Other Financial Instruments Issues" of FRS 102 have been applied in the recognition and measurement of the investments and the preparation of the financial statements.

Financial assets and financial liabilities are recognised when the Cell becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities that are not subject to fair valuation are included in the Statement of Financial Position at amortised cost.

Financial assets and liabilities

Financial assets, comprising of the loan note, and liabilities are measured at amortised cost. Where financial assets, in the opinion of the directors, require a provision for impairment to the amortised cost value, the movement is included in the Statement of Profit and Loss.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Statement of Financial Position date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Profit and Loss.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss on assets, the prior impairment loss is tested to determine reversal. An impairment loss is reversed to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were sold at the reporting date.

Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, call deposit accounts and short-term liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND STERLING CLASS CELL

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS PERIOD ENDED 30 SEPTEMBER 2024

3. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Dividends payable

Dividends are recognised when they become legally payable; and are approved and declared by the directors.

Interest Received

Revenue is recognised when the Cell's right to receive payment is established.

Expenses

Due to the low net asset value of this Cell, and minimal administration costs that are required to maintain it, the directors have decided to waive all Investment Manager and administration fees to ensure a reasonable return to the shareholders. Also, the Company, Zedra Fund Managers (Guernsey) Limited, will cover all sundry expenses that any third party may raise against this Cell.

Finance costs

Finance costs comprise interest expense on borrowings and are recognised in the Statement of Profit and Loss.

Taxation

The Protected Cell Company is eligible for exemption from taxation in Guernsey under the provision of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. As such the Protected Cell Company is only liable to pay a fixed annual fee which was £1,600 per annum which was paid in full by Zedra Fund Managers (Guernsey) Limited.

4. INVESTMENTS

The loan note was issued by Bridgemere Securities Limited, a subsidiary of the Zedra PCC (No.1) Limited – Red and Gold Cell on 8 June 2005 to the Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell for the principal sum of £180,044. Interest accrues daily in two 6 monthly periods at 2% above the 6 month Sterling Overnight Index Average ("SONIA"). The interest rate from 1 June 2024 was 7.258% per annum. The loan note is unsecured and repayable on demand. This is disclosed as a non-current asset, as Bridgemere Securities Limited do not intend on calling on the loan.

5. EARNINGS PER SHARE

	Period ended 30 September 2024	Period ended 30 September 2023
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EPS calculation - basic and fully diluted

Earnings in the year	£6,583	£6,173
Weighted average number of shares in issue for the year	2,692,686	2,692,686
EPS (Earnings divided by weighted average number of shares)	0.24p	0.23p

6. BANK FACILITIES

The Cell has its own bank facilities and holds a sterling call deposit account with the Custodian.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

7. AUTHORISED SHARE CAPITAL - PROTECTED CELL COMPANY

Authorised	30 September 2024	31 March 2024
100 Management Shares of £1 each	£100	£100
42,500,000 Unclassified Shares of £0.01 each	£425,000	£425,000
42,500,000 Unclassified Shares of US\$ 0.01 each	US\$425,000	US\$425,000
42,500,000 Unclassified Shares of EUR 0.01 each	EUR425,000	EUR425,000

All issued share capital is fully paid. Shares will not be issued as partly paid.

Unclassified shares may be issued as redeemable participating shares or nominal shares. Nominal shares can only be issued to the Investment Manager. Participating shares carry one vote each.

Management shares are not redeemable, carry one vote each and do not carry any rights to receive dividends. The management shares are not attributable to any specific cell. In a winding up, the surplus of any non-cellular assets shall be distributed among the holders of management shares on pro-rata basis.

Nominal shares carry no voting rights and do not carry any rights to receive dividends. The shares are only to be issued at par and only for the purpose of providing funds for the redemption of redeemable participating shares. Nominal shares issued for the purpose of redemption of participating shares of a particular cell shall constitute shares in such cell and the proceeds of issue shall constitute assets of such cells.

The holders of nominal shares in any particular cell are entitled on any subscription day by notice to the cell to convert all or any portion of such shares into redeemable participating shares. The cell is entitled to give the holders of nominal shares one month's notice to redeem any such shares in issue out of the shares set aside for such purpose.

In the event of a winding up, the cellular assets available for distribution shall be applied in repayment of the nominal amounts paid up: firstly, on the redeemable participating shares of each cell on a pro rata basis and secondly, on nominal shares issued in respect of the cell in question. Any surplus of cellular assets then remaining shall be distributed among the holders of the redeemable participating shares of each cell.

The holders of participating redeemable shares are entitled to redeem their shares upon written notice to the company. The redemption value is calculated by dividing the net asset value of the cell at the next valuation date, less a provision for duties and charges, by the number of shares in issue, rounded to 3 decimal places.

The participating shares of each cell carry the rights to dividends out of the profits of that cell.

The holders of redeemable participating shares have the right from time to time to exchange all or any of such shares for redeemable participating shares of another cell or type.

Subject to any special rights or restrictions for the time being attached to any class of Shares, at general meetings of the Company:

- (a) holders of Nominal Shares shall not be entitled to vote in respect thereof;
- (b) holders of Management Shares and Participating Shares shall be entitled:
 - (i) on a show of hands (if present in person) to one vote;
 - (ii) on a poll (if present in person or by proxy) to one vote in respect of each Share held by him.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

7. AUTHORISED SHARE CAPITAL – PROTECTED CELL COMPANY (CONTINUED)

The assets available for distribution among the Members upon the winding-up of the Company shall be applied in the following priority:

(1) Cellular Assets

- (a) First, in repayment pari passu to the Members of the nominal amount paid up by them on Shares in the Company in the following order of priority: first on Participating Shares and secondly on Nominal Shares;
- (b) Any surplus of cellular assets of the Company then remaining shall be distributed among the holders of each cell of Participating Shares pro rata to the number of undivided shares in that cell represented by their respective holdings of such Participating Shares.

(2) Non-Cellular Assets

By distribution among the holders of Management Shares pro rata to their respective holdings.

8. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES - CELL

	Period ended 30 September 2024 Number	Year ended 31 March 2024 Number
Number of shares in issue		
Participating Redeemable Shares		
Balance as at start and end of period/year	2,692,686.833	2,692,686.833
Issue of shares	-	-
Number issues as at end of period/year	<u>2,692,686.833</u>	<u>2,692,686.833</u>

9. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of operating profit to operating cash flows

	Period ended 30 September 2024 £	Year ended 31 March 2024 £
Total return for the period/year	6,583	12,611
Interest received	<u>(6,583)</u>	<u>(12,611)</u>
	-	-
Operating cash flow before movement in working capital		
Movement in debtors	<u>(49)</u>	<u>(955)</u>
Net cash outflow from operating activities	<u>(49)</u>	<u>(955)</u>

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

10. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities held at amortised cost

The financial assets and liabilities of the Cell are included in the Statement of Financial Position at amortised cost. The following table categorises the financial assets and liabilities held by the Cell at 30 September 2024 and 31 March 2024:

	30 September 2024	31 March 2024
	£	£
Assets		
Financial assets at amortised cost:		
Unquoted loan note	180,044	180,044
Debtors and prepayments	4,282	4,233
Total	<u>184,326</u>	<u>184,277</u>

There are no liabilities.

Risk arising from financial instruments

The Cell is potentially exposed to credit risk, liquidity risk and market risk arising from the financial instruments it holds. Market risk is comprised of interest rate risk, foreign currency risk and price risk. The following analysis, detailed in this note, highlights the nature and extent of these risks arising from the financial instruments held by the Cell at 30 September 2024 and 31 March 2024.

Credit risk

Default/credit risk is the risk that one party to a financial instrument will fail to discharge an obligation under the contract or arrangement and cause the other party to incur a financial loss. The Cell holds no financial assets that are readily marketable, however the Cell also holds no liabilities; therefore, the Cell's total risk arises from the unquoted loan note. The directors consider the likelihood of the unquoted loan note defaulting as being very remote; as the company that has issued the note is highly solvent. The Directors review their assessment annually and at the same time as any impairment review on the fair value of the asset. The Cell will only engage banking services from financial entities that have at least triple B long term senior rating, as defined but Standard and Poor, which further reduces the Cell's exposure to credit risk. All the Cell's cash is held with Butterfield Bank (Guernsey) Limited which has a triple B+ long term senior rating as defined by Standard and Poors.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

10. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Liquidity risk may arise from the potential inability to sell a financial instrument without undue delay at a price close to its fair value. The unquoted loan note is repayable on demand and the company that has issued the note is highly solvent.

Liquidity risk is also the risk that arises when the maturity of assets and liabilities do not match. The following tables show the maturity profile of each Cell's financial assets and liabilities at the Statement of Financial Position date: (The table excludes the amounts due to the shareholders on redemption).

Barclays Wealth Fixed Interest Fund Sterling Class Cell

	Less than 1 year £	Between 1 and 5 years £	More than 5 years £
30 September 2024			
Unquoted loan note	180,044	-	-
Debtors and prepayments	4,282	-	-
Total	184,326	-	-

	Less than 1 year £	Between 1 and 5 years £	More than 5 years £
31 March 2024			
Unquoted loan note	180,044	-	-
Debtors and prepayments	4,233	-	-
Total	184,277	-	-

Market risk

Market price risk is further analysed into interest rate risk, foreign currency risk and price risk.

i) Interest rate risk

The Cell's interest income and corresponding distribution is referenced to the six month Sterling SONIA rate on 1st December and on 1st June each year. With market interest rates currently extremely low, any fluctuation in rates is unlikely to have any material effect on the interest income for the Cell.

ii) Foreign currency risk

The Cell holds all assets and liabilities that are designated in pounds sterling only. Therefore, this Cell is not exposed to foreign currency risk.

iii) Price risk

During the year the Cell did not hold investments that could be priced to the Market. As the only material asset is a loan note that is included in the Statement of Financial Position at amortised cost the exposure to price risk is not applicable. However, the directors are aware that the loan note may become impaired and regular reviews are carried out to ensure that an impairment adjustment is not required.

**ZEDRA PCC (NO.1) LIMITED – FIXED INTEREST FUND
STERLING CLASS CELL**

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED 30 SEPTEMBER 2024**

11. RELATED PARTY TRANSACTIONS

Zedra PCC (No. 1) Limited

The ultimate parent company is Corsair Capital Partners Group Limited which effectively controls the issued share capital of Zedra Fund Managers (Guernsey) Limited which in turn owns the 100 Zedra PCC (No.1) Limited management shares that are in issue.

Zedra PCC (No.1) Limited - Fixed Interest Fund Sterling Class Cell

The Cell holds an unquoted loan note which is displayed in the Statement of Financial Position at a value of £180,044 (31 March 2024: £180,044). The loan note was issued by a subsidiary that is held by the Zedra PCC (No.1) Limited – Red and Gold Cell.

The directors of this Cell also serve as directors for all active Cells that form the Protected Cell Company, Zedra PCC (No.1) Limited, and also act as directors of the investment manager, with the exception of M Cleary and D Piesing who is an independent director.

The directors have agreed that to ensure an acceptable return is provided to the shareholders all expenses of the Cell are paid by Zedra Fund Managers (Guernsey) Limited.

12. CONTROLLING PARTY

In the opinion of the directors, there is no ultimate controlling party, as no one party has the ability to direct the financial and operating policies of the Cell and Company with a view to gaining economic benefits from their direction.

13. SUBSEQUENT EVENTS

There were no material post Statement of Financial Position events to the date of signing these financial statements.